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DWCNewsline

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Notice of rulemaking for proposed increase in Official Medical Fee Schedule maximum reimbursable fees for evaluation and management procedures

The Division of Workers' Compensation (DWC) has proposed an amendment to the Official Medical Fee Schedule (OMFS) table A, evaluation and management (E&M) procedure codes. The proposed change will increase the reimbursement for codes 99201 through 99215 between 0.4 percent and 35.8 percent above current levels, and will be effective for procedures performed on or after Feb. 15, 2007. The increase for these procedure codes will bring the reimbursement rates up to the level of Medicare's reimbursement rates for 2006, based on a weighted average of Medicare's rates for the nine California regions.

"We understand that physicians are spending more time getting authorization for treatment," said DWC Executive Medical Director Dr. Anne Searcy. "We want to make sure they are still being paid to spend time with their patients."

Formal notice of this rulemaking will be published in the California Notice Register on Friday, Dec. 29, 2006. A public hearing on the proposed regulations has been scheduled for 10 a.m. on Jan. 24, 2007, in the auditorium of the Junipero Serra State Building at 320 West 4th Street, Los Angeles, California. Members of the public may submit written or oral comments on the proposed regulations until 5 p.m. on that day.

The DWC is planning a more detailed review of the reimbursement rates for the physician fee schedule. However, the DWC has determined that the increase in these E&M procedure codes is necessary now in order to fairly compensate physicians for the additional time incurred because of reporting requirements and the utilization review process adopted in recent legislation. While the reimbursement rate for most of these procedures was not reduced by the 2003 legislation because they were then at or below the Medicare rates, Medicare reimbursement rates for these procedures have since increased, some of them substantially. The 2003 legislation granted the administrative director authority to adopt or revise the physician fee schedule on or after Jan. 1, 2006.

The language of the proposed regulation, which will amend Title 8, California Code of Regulations, section 9789.1, and the February 2007 addendum to table A can be found on the DWC Web site at http://www.dir.ca.gov/dwc/DWCPropRegs/OMFS_tableA/OMFS_TableA.htm.

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